

less, the blenders credit would be 30 cents. The rate will vary when the price of crude is between \$50 and \$90 a barrel.

When oil prices are high, a natural incentive should exist in the market to drive ethanol use. The bill also would extend through the year 2016 the alternative fuel refueling property credit, the cellulosic producers tax credit, and the special depreciation allowance for cellulosic biofuel plant property.

Today, Senator THUNE and Senator KLOBUCHAR are introducing another bipartisan bill to immediately reduce and reform the ethanol tax incentive. It includes many of the same features as the bill I introduced last month, but it enacts the reforms this year. The approach of Senator THUNE also leads to significant deficit reduction.

The legislation we have introduced is a responsible approach that will reduce the existing blenders credit and put those valuable resources into investing in alternative fuel infrastructure, including alternative fuel pumps.

It would responsibly and predictably reduce the existing tax incentive and help get alternative fuel infrastructure in place so consumers can decide at the pump which fuel they would prefer. I know that when the American consumers have their choice, they will choose domestic, clean, affordable renewable fuel. They will choose fuel from America's farmers and ranchers rather than from oil sheiks and foreign dictators. Both of the ethanol reform bills I mentioned are supported by the ethanol advocacy groups. In an almost unprecedented move, the ethanol industry is advocating for a reduction in their Federal incentives. No other energy industry, whether it is fossil fuels or renewables, has come to the table to reduce their subsidies. No other energy advocate has come to me with a plan to reduce their Federal support.

In conclusion, I would like to address two points that ethanol opponents continue to make, despite facts to the contrary. First, ethanol and ethanol incentives are not a major factor in rising food and corn prices. The U.S. Secretary of Agriculture, Tom Vilsack, recently stated:

During the great run-up in food and commodity prices in 2007 and 2008, biofuel production played only a minor role, accounting for about 10 percent of the total increase in global prices.

But going back to that time or even more recently, listening to the big food manufacturers that are part of this coalition attacking ethanol, you would think the entire blame for the increase in the price of food is because of ethanol, even though ethanol consumes only 3 percent of the coarse grain produced in the entire world. A recent report by the Center for Agriculture and Rural Development concluded that only 8 percent of the increase in corn prices from 2006 to 2009 was due to ethanol subsidies. Further, they concluded that because of this small impact, it "... necessarily implies that the con-

tribution of ethanol subsidies to food inflation is largely imperceptible in the United States."

Second, ethanol reduces greenhouse gas emissions significantly compared to gasoline. The fact is, under the renewable fuels standard created in 2007, corn ethanol was required to reduce greenhouse gas emissions compared to gasoline by at least 20 percent. The fact is, corn ethanol exceeded that threshold. If you remove EPA's use of the murky science surrounding emissions from indirect land use changes, ethanol reduces greenhouse gas emissions by 48 percent compared to gasoline.

A recent peer-review study published in the Yale Journal of Industrial Ecology found that ethanol reduces greenhouse gas emissions by up to 59 percent compared to gasoline. Ethanol currently accounts for 10 percent of our gasoline fuel pool. A study found that the ethanol industry contributed \$3.4 billion to the Federal Treasury in 2009. That happens to be \$3.4 billion more than the ethanol incentive. Today, the industry supports 400,000 U.S. jobs. That is why I support homegrown, renewable, reliable biofuels.

I would rather our Nation be dependent upon renewable fuel producers across this country rather than relying on Middle Eastern oil sheiks or Hugo Chavez in Venezuela. None of those people like us, and some of them are using our own money to train terrorists to kill us. Instead, I would prefer we support our renewable fuel producers based right here in the continental United States. I would prefer we decrease our dependence on Hugo Chavez and not increase it. I certainly don't support raising the tax on gasoline during a weak economy.

I encourage my colleagues to vote no on the motion to invoke cloture on the Coburn amendment.

I yield the floor.

EXHIBIT 1

SEPTOE & JOHNSON LLP,
Washington, DC, April 1, 2011.

Hon. HARRY REID,
Majority Leader, U.S. Senate, Washington, DC.
Hon. MITCH MCCONNELL,
Minority Leader, U.S. Senate, Washington, DC.

DEAR LEADERS REID AND MCCONNELL: On behalf of our client, the Society of Independent Gasoline Marketers of America, SIGMA, I write to urge you to oppose efforts in Congress to prematurely or abruptly eliminate the Volumetric Ethanol Excise Tax Credit or VEETC. Increasing the tax paid on ethanol blended gasoline makes no sense at a time when consumer fuel prices are already high and the need to maximize domestic energy sources is so critical.

As the national trade association representing America's independent fuel marketers and chain retailers, SIGMA represents an important and innovative part of the America's fuel marketing industry. SIGMA's approximately 270 corporate members command some 37 percent of the petroleum retail market, selling 64 billion gallons of motor fuel each year. For more than 50 years, SIGMA has supported the nation's fuel marketers by encouraging policies that promote growth, innovation, and fairness in the industry, and competition in the marketplace to help keep consumer fuel costs down.

As the leading marketers of ethanol-blended fuel at the retail level, SIGMA's members and customers are the beneficiaries of VEETC. This incentive has been an extremely useful tool in helping the nation's fuel marketers and chain retailers deliver fuels to the market at a competitive price. By providing long term price competitiveness for ethanol blended fuels, VEETC also helps provide assurances to marketers and retailers that important infrastructure investments necessary to deliver these fuels will continue to provide returns, and not result in wasted improvements.

Simply put, SIGMA opposes recent moves to prematurely or abruptly end the subsidies without any consideration for future fuel and fuel-delivery costs. To end this incentive immediately would no doubt result in an immediate spike in consumers' fuel costs. SIGMA believes that a policy that provides an effective transition for the industry from the current tax structure, is a better alternative to the slash and cut budget strategy being promoted by some Members of Congress.

I thank you in advance for your support in this regard. If you have any questions or wish to discuss this matter further, please feel free to contact me.

Sincerely,

R. TIMOTHY COLUMBUS,
General Counsel to the Society of Independent
Gasoline Marketers of America.

The PRESIDING OFFICER. The Senator from New Jersey.

EXTENSION OF MORNING BUSINESS

Mr. MENENDEZ. Mr. President, I ask unanimous consent the period for morning business be extended until 7 p.m., with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MENENDEZ. Mr. President, I ask unanimous consent to speak in morning business for 25 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC POLICY

Mr. MENENDEZ. Mr. President, to the millions of Americans who are struggling to find jobs or make ends meet, this is simply stating the obvious, but I rise, a decade after we were told the Bush tax cuts for the wealthy would stimulate the economy and create jobs, to say they have done neither. A decade of the Bush tax cuts have proven what we knew from the beginning; that they disproportionately benefited the wealthy, shifted wealth, did nothing for the middle class, and nothing trickled down.

The tax cuts exploded the debt and continue to be an economic burden that has been twisted into a Republican mantra, an ironic rallying cry for what clearly is a failed economic policy. Yet adherence to the tax cuts for the wealthy is a Republican political litmus test, no matter how clear the evidence is that they have failed to deliver on the promise.